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REPORT OF THE CONFERENCE OF THE PARTIES ON ITS FIRST SESSION, HELD AT BERLIN FROM 28 MARCH TO 7 APRIL 1995

Addendum

PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES AT ITS FIRST SESSION

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I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

Decision 1/CP.1

The Berlin Mandate: Review of the adequacy of Article 4, paragraph 2 (a) and (b), of the Convention, including proposals related to a protocol and decisions on follow-up

The Conference of the Parties, at its first session,

Having reviewed Article 4, paragraph 2(a) and (b), of the United Nations Framework Convention on Climate Change, and

Having concluded that these subparagraphs are not adequate,

Agrees to begin a process to enable it to take appropriate action for the period beyond 2000, including the strengthening of the commitments of the Parties included in Annex I to the Convention (Annex I Parties) in Article 4, paragraph 2(a) and (b), through the adoption of a protocol or another legal instrument:

I

1. The process shall be guided, inter alia, by the following:

(a) The provisions of the Convention, including Article 3, in particular the principles in Article 3.1, which reads as follows: "The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof;"

(b) The specific needs and concerns of developing country Parties referred to in Article 4.8; the specific needs and special situations of least developed countries referred to in Article 4.9; and the situation of Parties, particularly developing country Parties, referred to in Article 4.10 of the Convention;

(c) The legitimate needs of the developing countries for the achievement of sustained economic growth and the eradication of poverty, recognizing also that all Parties have a right to, and should, promote sustainable development;

(d) The fact that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that the per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs;

(e) The fact that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions;

(f) Coverage of all greenhouse gases, their emissions by sources and removals by sinks and all relevant sectors;

(g) The need for all Parties to cooperate in good faith and to participate in this process.

II

2. The process will, inter alia:

(a) Aim, as the priority in the process of strengthening the commitments in Article 4.2(a) and (b) of the Convention, for developed country/other Parties included in Annex I, both

- to elaborate policies and measures, as well as
- to set quantified limitation and reduction objectives within specified time-frames, such as 2005, 2010 and 2020, for their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol,

taking into account the differences in starting points and approaches, economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances, as well as the need for equitable and appropriate contributions by each of these Parties to the global effort, and also the process of analysis and assessment referred to in section III, paragraph 4, below;

(b) Not introduce any new commitments for Parties not included in Annex I, but reaffirm existing commitments in Article 4.1 and continue to advance the implementation of these commitments in order to achieve sustainable development, taking into account Article 4.3, 4.5 and 4.7;

(c) Take into account any result from the review referred to in Article 4.2(f), if available, and any notification referred to in Article 4.2(g);

(d) Consider, as provided in Article 4.2(e), the coordination among Annex I Parties, as appropriate, of relevant economic and administrative instruments, taking into account Article 3.5;

(e) Provide for the exchange of experience on national activities in areas of interest, particularly those identified in the review and synthesis of available national communications; and

(f) Provide for a review mechanism.

III

3. The process will be carried out in the light of the best available scientific information and assessment on climate change and its impacts, as well as relevant technical, social and economic information, including, inter alia, reports of the Intergovernmental Panel on Climate Change. It will also make use of other available expertise.

4. The process will include in its early stages an analysis and assessment, to identify possible policies and measures for Annex I Parties which could contribute to limiting and reducing emissions by sources and protecting and enhancing sinks and reservoirs of greenhouse gases. This process could identify environmental and economic impacts and the results that could be achieved with regard to time horizons such as 2005, 2010, and 2020.

5. The protocol proposal of the Alliance of Small Island States (AOSIS), which contains specific reduction targets and was formally submitted in accordance with Article 17 of the Convention, along with other proposals and pertinent documents, should be included for consideration in the process.

6. The process should begin without delay and be conducted as a matter of urgency, in an open-ended ad hoc group of Parties hereby established, which will report to the second session of the Conference of the Parties on the status of this process. The sessions of this group should be scheduled to ensure completion of the work as early as possible in 1997, with a view to adopting the results at the third session of the Conference of the Parties.

9th plenary meeting
7 April 1995

Decision 2/CP.1

Review of first communications from the Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4.2(a), (b) and (d), 7.2(a), (d) and (e), 9.2 (b) and 10.2,

Having considered recommendation 4 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Adopts* the statement of purpose of the review process contained in annex I to the present decision and the description of tasks of the review contained in annex II;

2. *Decides:*

(a) That each national communication[1/] submitted by a Party included in Annex I to the Convention (Annex I Party) should be subject to an in-depth review as soon as possible, but within one year of receipt by the secretariat, with the aim of completion by the second session of the Conference of the Parties; such in-depth reviews should be carried out by expert review teams, under the authority of the subsidiary bodies;

(b) That the review teams should be coordinated by a representative of the secretariat and composed of experts selected from those nominated by Parties and, as appropriate, by intergovernmental organizations as described in paragraph 4(b) below; experts nominated by Parties should, to the extent possible, constitute a majority of each team;

(c) That the review teams should conduct their work through in-depth "paper" reviews, guided by the purpose and tasks of the review referred to in paragraph 1 above, drawing upon annexes A, B and C to document A/AC.237/63/Add.1; if deemed helpful, visits to clarify the communications, with the prior approval of the Party concerned, might also be useful;

[1/] In this recommendation, the term "national communication" includes communications from the regional economic integration organization included in Annex I to the Convention.

(d) That each review team should produce, under its collective responsibility, a report on each in-depth review of a national communication, written in non-confrontational language, and submit it to the subsidiary bodies; such review reports should be based on the indicative outline contained in annex III to the present decision; they should be approximately 10 pages in length and should include a summary; a draft of the review report should be provided to the Party being reviewed and, as a general rule, revised to reflect any comments the Party might have. Should the Party and the review team be unable to agree on the treatment of a comment, the secretariat will ensure that the comments of the Party are incorporated within a separate section of the summary of the review report; the summary of the review report should be distributed by the secretariat to all Parties and accredited observers to the Conference of the Parties; copies of the full review report will be available on request;

(e) That the subsidiary bodies should consider the in-depth review reports;

(f) To make the necessary arrangements to finance the review process in the budget for the permanent secretariat;

3. *Invites:*

(a) Parties to contribute to the review process by nominating experts for selection to participate in the review teams and to otherwise assist the secretariat as required;

(b) Parties to make voluntary contributions to the trust fund for the negotiating process to support the implementation of the present decision until the budget of the permanent secretariat is established;

(c) Intergovernmental organizations to make contributions of experts and/or resources, where possible, to assist the secretariat in undertaking the review of national communications under the Convention;

4. *Requests* the secretariat:

(a) To coordinate and facilitate the review process described in paragraph 2 above, including the organization of the in-depth reviews of individual national communications;

(b) To select, under the guidance of the Chairmen of the subsidiary bodies, the members of the in-depth review teams from among the names provided by the Parties and intergovernmental organizations, ensuring a balance of skills and expertise, of environmental and developmental perspectives and the necessary geographical balance among team members. It should also ensure that such experts do not participate in reviews of the national communications from their own country;

(c) To prepare, for consideration by the subsidiary bodies and by the Conference of the Parties at its second session, a second compilation and synthesis of first national communications, taking into account available review reports of individual national communications and including, as appropriate, the names of Parties in the narrative text, bearing in mind the facilitative and non-confrontational nature of the process;

(d) To examine means to facilitate the exchange and sharing of information among Parties, including forums in which a general and further analysis of specific and common aspects of national communications could be undertaken.

10th plenary meeting
7 April 1995

ANNEX I

Purpose of the review of first communications from Annex I Parties

The review should provide a thorough and comprehensive technical assessment of the implementation of the Convention commitments by individual Annex I Parties and Annex I Parties as a whole. Its purpose is to review, in a facilitative, non-confrontational, open and transparent manner, the information contained in the communications from Annex I Parties to ensure that the Conference of the Parties has accurate, consistent and relevant information at its disposal to assist it in carrying out its responsibilities, which are, inter alia:

(a) To assess the implementation of the Convention by the Parties, the overall effects and cumulative impacts of the measures taken and the extent to which progress towards the objective of the Convention is being achieved (Articles 7.2(e), 4.2(a) and (b) and 10.2(a));

(b) To contribute to the reviews by the Conference of the Parties of the adequacy of commitments and to its decisions on follow-up action (Articles 10.2(b) and 4.2(d));

(c) To examine the obligations of these Parties under Articles 4, 5, 6 and 12 of the Convention;

(d) To examine the institutional arrangements under the Convention;

(e) To promote and guide the development and refinement of methodologies (Article 7.2(d)) and guidelines to enhance the comparability and focus of further communications;

(f) To promote and facilitate the exchange of information on measures adopted by the Parties (Article 7.2(b)).

ANNEX II

Tasks of the review of first communications from Annex I Parties

The review process should undertake six major tasks:

1. Review key qualitative information and quantitative data points contained in national communications;

2. Review policies and measures described in national communications;

3. Assess the information contained in national communications against Convention commitments, and assess the extent to which progress towards the objective of the Convention is being achieved;

4. Describe expected progress in the limitation of emissions by sources and enhancement of removals by sinks of greenhouse gases, on the basis of information contained in national communications;

5. Describe expected progress in cooperation to prepare for adaptation;

6. Aggregate data across national communications with respect to inventories, projections, effects of measures and financial transfers, but without adding up the individual national totals for projections and the effects of measures.

ANNEX III

Outline for review reports from in-depth reviews of individual national communications from Annex I Parties

1. Introduction and summary

- Convention ratification date
- Date of receipt of national communication
- Dates of review and dates of comment period
- Members of the review team
- National circumstances
- Summary and findings

    - Compliance with guidelines
    - Review of key data points
    - Approach to greenhouse gas mitigation
    - Expected progress in greenhouse gas mitigation
    - Approach to adaptation
    - Expected progress on adaptation
    - Implementation of Convention commitments
    - Summary of comments offered by the Party (when not reflected in the text)

2. Inventories of anthropogenic emissions and removals

- Implementation of Convention commitments
- Approaches used
- CO_2 - review of key data points
- CH_4 - review of key data points
- N_2O - review of key data points
- Other gases - review of key data points
- Emissions from international marine and aviation transport

3. Policies and measures

- Implementation of Convention commitments
- Overview of measures by gas, sector and policy instrument
- Effects of individual measures, where possible
- Policies and measures under consideration or requiring international cooperation

4. Projections and effects of policies and measures

   - Implementation of Convention commitments
   - Approaches used
   - Review of key data points

5. Projected progress in greenhouse gas mitigation

6. Expected impacts of climate change

7. Adaptation measures

   - Implementation of Convention commitments

8. Financial assistance and technology transfer

   - Review of key data points
   - Implementation of Convention commitments

9. Research and systematic observation

   - Implementation of Convention commitments

10. Education, training and public awareness

    - Implementation of Convention commitments

Decision 3/CP.1

Preparation and submission of national communications from the Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling Articles 4.1(a), 4.2(b), 4.6, 7.2 and 12 of the United Nations Framework Convention on Climate Change,

Having considered recommendation 3 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Urges* those Parties included in Annex I to the Convention (Annex I Parties) that have not submitted their first communications according to Article 12.5 of the Convention to do so as soon as possible;

2. *Requests* Annex I Parties, except as specified in paragraph 3 below, to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention and with guidelines for the preparation of such communications to be revised, as appropriate, and adopted by the Conference of the Parties:

(a) A second national communication,[1/] by 15 April 1997;

(b) National inventory data on emissions by sources and removals by sinks on an annual basis, recognizing that for some greenhouse gases and sectors or activities annual data may be less readily available or less relevant; on this basis, data (where appropriate, updated) for the period 1990-1993 and, where available, for 1994 should be provided by 15 April 1996; data for subsequent years should be provided annually on 15 April, following the same principles;

3. *Decides* that those Annex I Parties required to submit their first communications during 1996, and which do so in accordance with the Convention, may be exempt from the provisions of paragraph 2(a) above;

4. *Decides* that, until further review, the guidelines for the preparation of first communications by Annex I Parties, as elaborated in the Annex to decision 9/2 of the Committee,[2/] should continue to be used by Annex I Parties in preparing their communications;

[1/] This term includes communications from the regional economic integration organization included in Annex I to the Convention.

[2/] A/AC.237/55, annex I.

5. *Requests* the secretariat, drawing on the experience in the compilation and synthesis of national communications, to prepare a report on the guidelines for the preparation of first communications by Annex I Parties for consideration by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation before the second session of the Conference of the Parties, with a view, among other things, to further enhancing the comparability and focus of the communications;

6. *Requests* the Subsidiary Body for Scientific and Technological Advice, in the context of its work on methodological issues arising from the review of national communications, to consider the use of relevant statistical adjustments;

7. *Decides* to continue to apply the procedures for the transmission, distribution and translation of communications as elaborated in Committee decision 9/2,[3/] until new procedures are established before the submission of the second national communications by Annex I Parties and subject to a review in 1996 of the financial implications of those procedures.

10th plenary meeting
7 April 1995

[3/] Ibid., and A/AC.237/45, paras. 56-66.

Decision 4/CP.1

Methodological issues

The Conference of the Parties,

Recalling Articles 4.2(c), 7.2(d), 9.2(e) and 12.1(a) of the United Nations Framework Convention on Climate Change,

Having considered recommendation 7 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides:*

(a) That the Guidelines for National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptations adopted by the Intergovernmental Panel on Climate Change should be used by Annex I Parties in preparing their national communications[1/] pursuant to the Convention. Parties that already have an established and comparable methodology could continue to use that methodology, provided that they include sufficient documentation to back up the data presented. Standard tables and formats recommended in the Intergovernmental Panel on Climate Change Guidelines should be used for the presentation of that data;

(b) That the Guidelines for National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptations or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change should be used by non-Annex I Parties, as appropriate and to the extent possible, in the fulfilment of their commitments under the Convention;

(c) That Parties may use global warming potentials to reflect their inventories and projections in carbon-dioxide-equivalent terms. In such cases, the 100-year time-horizon values provided by the Intergovernmental Panel on Climate Change in its 1994 Special Report should be used. Parties may also make use of at least one of the other time-horizons provided by the Panel in its 1994 Special Report;

(d) That the Subsidiary Body for Scientific and Technological Advice, drawing upon existing competent international bodies, including the Intergovernmental Panel on Climate Change, and taking account of decision 2/CP.1 on the process for reviewing first national communications and decision 6/CP.1 on the subsidiary bodies, should:

1/ In this recommendation, the term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.

(i) Consider the methodological issues arising from the review of national communications, including those identified in the compilation and synthesis of national communications and in available in-depth review reports, and make recommendations thereon to the Conference of the Parties at its second session;

(ii) Provide advice to the Conference of the Parties and to the Subsidiary Body for Implementation, taking account of the outcome of subparagraph (i) above, on further development, refinement, improvement and use of comparable methodologies for:

a. National inventories of emissions and removals of greenhouse gases;

b. Projecting national emissions and removals of greenhouse gases and comparing the respective contributions of different gases to climate change;

c. Evaluating the individual and aggregate effects of measures undertaken pursuant to the provisions of the Convention;

d. Conducting impact/sensitivity analyses and assessing adaptation responses;

(iii) Propose a work plan and timetable for longer-term activities relating to methodological questions (including inventory methodologies and methodologies for analysing impacts and mitigation options) and the establishment of working relationships with other bodies (in particular, the Intergovernmental Panel on Climate Change and its working groups and programmes);

(iv) Report on the work specified above to the Conference of the Parties at its second session;

(e) To consider at a future session, in the light of the scientific, technical and practical information provided by the Subsidiary Body for Scientific and Technological Advice, the issues covered by the decisions contained in subparagraphs (a) and (b) above;

(f) That the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, taking fully into account ongoing work in Governments and international organizations, including the International Maritime Organization and the International Civil Aviation Organization, address the issue of the allocation and control of emissions from international bunker fuels, and report on this work to the Conference of the Parties at its second session;

2. *Invites* the relevant international organizations and bodies, including the Intergovernmental Panel on Climate Change, to contribute to the work of the Subsidiary Body for Scientific and Technological Advice, especially on the scientific aspects of methodologies, particularly those relating to inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol on Substances that Deplete the Ozone Layer, global warming potentials of those greenhouse gases, vulnerability assessment and adaptation, projections of emissions by sources and removals by sinks, the evaluation of the effects of measures undertaken pursuant to the provisions of the Convention and the allocation and control of emissions from international bunker fuels.

10th plenary meeting
7 April 1995

Decision 5/CP.1

Activities implemented jointly under the pilot phase

The Conference of the Parties,

Recalling that, in accordance with Article 4.2(d) of the United Nations Framework Convention on Climate Change, the Conference is required to take decisions regarding criteria for joint implementation as indicated in Article 4.2(a),

Noting that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

Acknowledging that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions,

Recognizing that,

(a) According to the provisions of the Convention, the commitments under Article 4.2(a) to adopt national policies and to take corresponding measures on the mitigation of climate change apply only to Parties included in Annex I to the Convention (Annex I Parties), and that Parties not included in Annex I to the Convention (non-Annex I Parties) have no such commitments,

(b) Activities implemented jointly between Annex I Parties and non-Annex I Parties will not be seen as fulfilment of current commitments of Annex I Parties under Article 4.2(b) of the Convention; but they could contribute to the achievement of the objective of the Convention and to the fulfilment of commitments of Annex II Parties under Article 4.5 of the Convention,

(c) Activities implemented jointly under the Convention are supplemental, and should only be treated as a subsidiary means of achieving the objective of the Convention,

(d) Activities implemented jointly in no way modify the commitments of each Party under the Convention,

1. *Decides:*

(a) To establish a pilot phase for activities implemented jointly among Annex I Parties and, on a voluntary basis, with non-Annex I Parties that so request;

(b) That activities implemented jointly should be compatible with and supportive of national environment and development priorities and strategies, contribute to cost-effectiveness in achieving global benefits and could be conducted in a comprehensive manner covering all relevant sources, sinks and reservoirs of greenhouse gases;

(c) That all activities implemented jointly under this pilot phase require prior acceptance, approval or endorsement by the Governments of the Parties participating in these activities;

(d) That activities implemented jointly should bring about real, measurable and long-term environmental benefits related to the mitigation of climate change that would not have occurred in the absence of such activities;

(e) That the financing of activities implemented jointly shall be additional to the financial obligations of Parties included in Annex II to the Convention within the framework of the financial mechanism as well as to current official development assistance (ODA) flows;

(f) That no credits shall accrue to any Party as a result of greenhouse gas emissions reduced or sequestered during the pilot phase from activities implemented jointly;

2. *Further decides* that during the pilot phase:

(a) The Subsidiary Body for Scientific and Technological Advice will, in coordination with the Subsidiary Body for Implementation, establish a framework for reporting, in a transparent, well-defined and credible fashion, on the possible global benefits and the national economic, social and environmental impacts as well as any practical experience gained or technical difficulties encountered in activities implemented jointly under the pilot phase;

(b) The Parties involved are encouraged to report to the Conference of the Parties through the secretariat using the framework thus established. This reporting shall be distinct from the national communications of Parties;

(c) The Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, with the assistance of the secretariat are requested to prepare a synthesis report for consideration by the Conference of the Parties,

3. *Further decides*:

(a) That the Conference of the Parties shall, at its annual session, review the progress of the pilot phase on the basis of the synthesis report with a view to taking appropriate decisions on the continuation of the pilot phase;

(b) In so doing, the Conference of the Parties shall take into consideration the need for a comprehensive review of the pilot phase in order to take a conclusive decision on the pilot phase and the progression beyond that, no later than the end of the present decade.

10th plenary meeting
7 April 1995

Decision 6/CP.1

The subsidiary bodies established by the Convention

The Conference of the Parties,

Recalling Articles 9 and 10 of the United Nations Framework Convention on Climate Change establishing, respectively, the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI),

Having considered recommendation 8 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

Noting that the roles of the subsidiary bodies can be broadly characterized as follows:

(a) The SBSTA will be the link between the scientific, technical and technological assessments and the information provided by competent international bodies, and the policy-oriented needs of the Conference of the Parties,

(b) The SBI will develop recommendations to assist the Conference of the Parties in its review and assessment of the implementation of the Convention and in the preparation and implementation of its decisions,

1. *Decides* that, subject to future reconsideration, the functions of the SBSTA and the SBI shall be as outlined in annex I to this decision, which annex builds upon Articles 9 and 10 of the Convention and recommendations from the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change;

2. *Requests* the SBSTA to undertake the tasks described in annex II, section A, to this decision, as well as tasks mandated in decisions 2/CP.1, 3/CP.1, 4/CP.1, 5/CP.1 and 8/CP.1, and to report on its work to the Conference of the Parties at its second session;

3. *Authorizes* the SBSTA, in accordance with rule 27 of the rules of procedure, to establish, subject to confirmation at the second session of the Conference of the Parties, two intergovernmental[1/] technical advisory panels to provide it with advice on technologies, including advice on related economic aspects, and on methodologies;

[1/] In this recommendation, the term "intergovernmental" includes the regional economic integration organization included in Annex I to the Convention.

4. *Requests* the SBI to undertake the tasks described in annex II, section B, to this decision, as well as tasks mandated in decisions 2/CP.1, 3/CP.1, 4/CP.1, 5/CP.1, 8/CP.1 and 10/CP.1, and to report on its work to the Conference of the Parties at its second session;

5. *Requests* both bodies to develop proposals on their longer-term activities and organizational arrangements, including any adjustments to the functions and/or allocation of work, and the scheduling and periodicity of sessions, taking due account of the financial and support implications, and to report accordingly to the Conference of the Parties at its second session;

6. *Invites* the officers of the SBSTA and the SBI to submit, after due consultation with their respective bodies, proposals for future cooperation between the SBSTA and the SBI and the Intergovernmental Panel on Climate Change, to the second session of the Conference of the Parties.

7. *Invites* the officers of the SBSTA and the SBI to play an active role in preparing for the substantive sessions of these bodies, with the support of the Convention secretariat;

8. *Requests* the Convention secretariat to make arrangements for sessions of both subsidiary bodies on the basis of annexes II and III to this decision. Where possible, sessions should be held consecutively, starting with the SBSTA, and each session would last for a week;

9. *Further requests* the Convention secretariat to make arrangements for three further sessions of both subsidiary bodies: in December 1996, July 1997 (preceding the third session of the Conference of the Parties) and December 1997;

10. *Decides* that workshops and other events, for which no provision is made in the secretariat budget, should be funded by the host country or from other sources. Such funding should include participation costs;

11. *Further requests* the Convention secretariat to support the substantive work of the subsidiary bodies, in particular by:

(a) Organizing their sessions;

(b) Liaising with competent scientific and technical international bodies and financial institutions, in order to ensure an adequate flow of information in both directions;

(c) Preparing the documentation needed for consideration by the subsidiary bodies or the Conference of the Parties;

(d) Providing technical and analytical support for the review of communications by Parties included in Annex I to the Convention.

10th plenary meeting
7 April 1995

ANNEX I

Functions to be carried out by the Subsidiary Bodies

A. Functions to be carried out by the Subsidiary Body for Scientific and Technological Advice under the guidance of the Conference of the Parties and drawing upon existing competent international bodies

1. Provide assessments of the state of scientific knowledge relating to climate change and its effects (Article 9.2(a)). In this context:

(a) Summarize and, where necessary, convert the latest international scientific, technical, socio-economic and other information provided by competent bodies including, inter alia, the Intergovernmental Panel on Climate Change (IPCC), into forms appropriate to the needs of the Conference of the Parties, including in support of the review of the adequacy of commitments;

(b) Compile and synthesize scientific, technical and socio-economic information on the global situation on climate change, provided by, inter alia, the IPCC, as well as on the latest developments in science, to the extent possible, and assess the implications thereof for the implementation of the Convention; and formulate requests to competent international scientific and technical bodies.

2. Prepare scientific assessments on the effects of measures taken in the implementation of the Convention (Article 9.2(b)). In this context:

(a) Consider the scientific, technical and socio-economic aspects of the in-depth review reports, resulting from the process for the review of national communications;[a/]

(b) Consider the compilation and synthesis of national communications prepared by the secretariat;

(c) Make recommendations on the technical aspects related to the review of information contained in national communications.

[a/] In this recommendation, the term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.

3. Identify innovative, efficient and state-of-the-art technologies and know-how, and advise on the ways and means of promoting development and/or of transferring such technologies (Article 9.2(c)). In this context:

(a) Ensure the collection and dissemination of information on appropriate technologies for limiting emissions from sources, enhancing sinks of greenhouse gases and adapting to climate change, and on related international initiatives, cooperation and programmes, and the services they offer;

(b) Provide advice on the latest, and future, technologies mentioned above, their effects, their relative feasibility in different circumstances and their relevance to programme priorities of the financial mechanism, taking into account relevant advice to the Conference of the Parties from the Subsidiary Body for Implementation;

(c) Provide advice on ideas on promoting international initiatives, programmes and cooperation in the areas of technology development and transfer, as well as on sharing of experience between Parties;

(d) Evaluate ongoing efforts in the area of development and/or transfer of technologies to determine whether they fully meet the needs of the Convention, and advise on possible improvements.

4. Provide advice on scientific programmes, and on international cooperation in research and development related to climate change, as well as on ways and means of supporting endogenous capacity-building in developing countries (Article 9.2(d)), and assist the Parties in implementing Articles 5 and 6 of the Convention. In this context:

(a) Ensure the collection and dissemination of information on international initiatives, cooperation and programmes in the areas of scientific research and systematic observation, as well as on education, human resources and training, public awareness, capacity-building, and the services they offer;

(b) Provide advice on education programmes;

(c) Provide advice on human resources and training;

(d) Provide advice and ideas on promoting the above initiatives, cooperation and programmes, as well as sharing of experience between Parties;

(e) Evaluate ongoing efforts in these fields to determine whether they fully meet the needs of the Convention and advise on possible improvements.

5. Respond to scientific, technological and methodological questions that the Conference of the Parties and its subsidiary bodies may put to the body (Article 9.2(e)). In this context:

(a) Seek, in particular from the IPCC, and provide advice on, the development, improvement and refinement of comparable methodologies for:

(i) National inventories of emissions and removals of greenhouse gases;

(ii) Projecting national emissions and removals of greenhouse gases and comparison of respective contributions of different gases to climate change;

(iii) Evaluating the individual and aggregated effects of measures undertaken pursuant to the provisions of the Convention;

(iv) Conducting impact/sensitivity analyses;

(v) Assessing adaptation responses;

(b) Seek information and provide advice on methodological questions in support of the guidance to be provided by the Conference of the Parties to the financial mechanism, and guidelines in the application of the concept of "agreed full incremental cost";

(c) Provide information and advice on any methodology and technical aspects that would be needed in the development of protocols to the Convention;

(d) Provide guidance and advice to the Parties on the use of agreed methodologies;

(e) Provide guidance to the Parties on technical aspects of issues related to the implementation of the Convention, such as the allocation and control of emissions from international bunker fuels or the use of global-warming potentials.

B. Functions to be carried out by the Subsidiary Body for Implementation under the guidance of the Conference of the Parties

1. Consider the information communicated in accordance with Article 12.1, to assess the overall aggregated effect of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change (Article 10.2(a)). In this context:

Consider the policy aspects of the in-depth review reports resulting from the process for the review of national communications, inter alia, on the basis of the scientific and technical analysis provided by the Subsidiary Body for Scientific and Technological Advice (SBSTA) and make recommendations to the Conference of the Parties regarding the implementation of the Convention.

2. Consider the information communicated in accordance with Article 12.2, in order to assist the Conference of the Parties in carrying out the reviews required by Article 4.2(d) (Article 10.2(b)). In this context:

Consider how the overall aggregated effect of the steps taken by Parties relates to the commitments set out in Article 4.2(a) and (b), to the modification of longer-term trends in anthropogenic emissions, and to any further commitments that might be agreed upon by the Parties in subsequent amendments or protocols to the Convention, as well as to the objective of the Convention.

3. Assist the Conference of the Parties, as appropriate, in the preparation and implementation of its decisions (Article 10.2(c)), taking into account advice from the SBSTA. In this context:

(a) Advise the Conference of the Parties on the policies, eligibility criteria and programme priorities related to the financial mechanism, as well as on transfer of technology in the light of the reviews and assessments carried out under Article 10.2(a), taking into account relevant advice from the SBSTA and, if so requested by the Conference of the Parties.

(i) Review the financial mechanism and advise on appropriate measures;

(ii) Consider reports from the operating entity or entities of the financial mechanism on activities related to climate change;

(iii) Make recommendations related to the arrangements for the operational linkages between the Conference of the Parties and the operating entity or entities;

(b) Provide recommendations to the Conference of the Parties on possible responses to the findings of the review of the adequacy of Article 4.2(a) and (b) and its implementation, including, if so requested by the Conference of the Parties, the conducting of negotiations on resolutions, amendments or protocols;

(c) Advise the Conference of the Parties on matters related to the consideration of information contained in national communications.

ANNEX II

Tasks for the Subsidiary Bodies between the first and second sessions of the Conference of the Parties

A. Tasks for the Subsidiary Body for Scientific and Technological Advice

The Subsidiary Body for Scientific and Technological Advice (SBSTA), under the guidance of the Conference of the Parties, should:

1. Consider the Second Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and make appropriate recommendations to the Conference of the Parties and, where appropriate, to the Subsidiary Body for Implementation (SBI);

2. Undertake the tasks on methodological questions as specified in decision 4/CP.1 on methodological issues;

3. Lay the groundwork for performing its advisory functions relating to technology transfer and research and development, with initial emphasis on identifying, promoting access to and disseminating information on state-of-the-art technologies and know-how for limiting emissions of greenhouse gases and adapting to climate change, and addressing capacity-building needs for the effective use and dissemination of such technologies;

4. Lay the groundwork for performing its advisory functions relating to capacity-building in developing country Parties, taking into account any information from the SBI;

5. Establish such intergovernmental technical advisory panels as may be deemed necessary and approved by the Conference of the Parties, to provide it with advice on technologies, including on related economic aspects, and on methodologies; and define the terms of reference, work plans, membership and duration of work thereof;

6. Oversee the in-depth review of scientific and technical aspects and the preparation of the compilation and synthesis of the first national communications from Annex I Parties in accordance with decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention; and make recommendations thereon to the Conference of the Parties and/or to the SBI.

B. Tasks for the Subsidiary Body for Implementation

The Subsidiary Body for Implementation (SBI), under the guidance of the Conference of the Parties, should:

1. Oversee the in-depth review of the policy aspects of the first national communications from Annex I Parties, including the implementation of their commitments under Article 4.2(a) and (b) in accordance with Article 12.2 of the Convention and Article 4.5 in accordance with Article 12.3 of the Convention on the basis of scientific and technical analysis provided by the Subsidiary Body for Scientific and Technological Advice, in accordance with decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention; and make recommendations thereon to the Conference of the Parties;

2. Consider the report from the operating entity or entities of the financial mechanism; and make recommendations thereon to the Conference of the Parties;

3. Further elaborate policies, programme priorities and eligibility criteria for the financial mechanism and provide assistance to the Conference of the Parties.

ANNEX III

Summary of the sequence of events prior to the second session of the Conference of the Parties, including a list of matters to be considered by the Subsidiary Bodies

Schedule	Subsidiary Body for Scientific and Technological Advice	Subsidiary Body for Implementation
First session October 1995	Consider work plan and relationships with IPCC and other bodies	Consider work plan
	Organize work of intergovernmental technical advisory panels	Work relating to follow-up to review of the adequacy of Article 4.2 (a) and (b), if required
	Plan for consideration of IPCC Second Assessment Report	Work relating to review of national communications
	Work relating to review of national communications	Deal with matters relating to the financial mechanism
January 1996	Intergovernmental technical advisory panels meet	
	Workshop a/ on non-governmental inputs	
Second session Mid-February 1996	Consider IPCC Second Assessment Report	
	Consider work of intergovernmental technical advisory panels	Work relating to follow-up to review of the adequacy of Article 4.2 (a) and (b), if required
	Consider report of workshop on non-governmental inputs	Work relating to review of national communications
	Work relating to review of national communications	
	Deal with requests from SBI	
April 1996	Intergovernmental technical advisory panels meet	Issue-specific workshop (if required)
Third session July 1996 (preceding the second session of the Conference of the Parties)	Finalize recommendations to the Conference of the Parties at its second session and, where appropriate, to SBI	Deal with matters relating to the financial mechanism
	Work relating to review of national communications	Finalize recommendations to the Conference of the Parties at its second session
		Work relating to review of national communications

a/ The workshop, open to all Parties and interested non-governmental participants, should discuss the need for, and possible scope, structure, membership and work plans of, non-governmental advisory committees and/or a business consultative mechanism and report recommendations in the light of the workshop to the Conference of the Parties at its second session.

Decision 7/CP.1

The report on implementation

The Conference of the Parties,

Recalling that the Conference of the Parties shall, in accordance with Article 7.2(f) of the United Nations Framework Convention on Climate Change, consider, adopt and publish regular reports on the implementation of the Convention,

Considering that the publication and dissemination of information to a wide audience would help achieve the objectives of Article 6 of the Convention and mobilize opinion in support of the implementation of the Convention,

Having considered recommendation 1 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides* that the report on implementation shall be a public information document designed for the informed public;

2. *Decides* that the first report on implementation shall be published after the conclusion of, and reflecting the results of, the first session;

3. *Requests* the secretariat to draft, and to publish as soon as possible, the report on implementation, drawing on the decisions of, and the texts of the documents considered by, the Conference of the Parties, taking account of the discussions at the session, and presenting the content of the report in a style appropriate for public information and outreach;

4. *Decides* to review the results of this decision at its second session and to consider at that time the scheduling of subsequent reports.

10th plenary meeting
7 April 1995

Decision 8/CP.1

First communications from Parties not included in Annex I to the Convention

The Conference of the Parties,

Having taken note of document A/AC.237/Misc.40 on the approach by the Group of 77 and China on the format for communication of information by Parties not included in Annex I to the United Nations Framework Convention on Climate Change (non-Annex I Parties),

1. *Requests* the subsidiary bodies to develop, for consideration by the Conference of the Parties at its second session, recommendations on guidelines for the preparation of national communications from non-Annex I Parties and proposals for the process to consider these communications in accordance with Article 10 of the Convention;

2. *Further requests* the interim secretariat to provide a compilation of any views on the subject raised in paragraph 1 above transmitted by the Parties to the secretariat by 30 June 1995. Documents that have been, or will be, submitted to the secretariat may, upon request by the submitting Party, be issued by the secretariat in the original language only and be distributed to all delegations.

10th plenary meeting
7 April 1995

Decision 9/CP.1

Maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention

The Conference of the Parties,

Recalling Articles 11.4 and 21.3 of the United Nations Framework Convention on Climate Change,

Having considered the report by the Global Environment Facility (GEF) to the eleventh session of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change, on the restructured Global Environment Facility,[1/]

1. *Decides* that the restructured GEF shall continue, on an interim basis, to be the international entity entrusted with the operation of the financial mechanism referred to in Article 11 of the Convention;

2. *Decides*, in accordance with Article 11.4 of the Convention, to review the financial mechanism within four years and take appropriate measures, including a determination of the definitive status of the GEF in the context of the Convention.

10th plenary meeting
7 April 1995

1/ A/AC.237/89.

Decision 10/CP.1

Arrangements between the Conference of the Parties and the operating entity or entities of the financial mechanism

The Conference of the Parties,

Recalling Article 11.3 of the United Nations Framework Convention on Climate Change,

Having considered recommendation 10 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Takes note* of the elements for inclusion in arrangements between the Conference of the Parties and an operating entity or entities of the financial mechanism presented in the note by the interim secretariat, contained in document A/AC.237/87, including comments made on relevant paragraphs at the eleventh session of the Committee;

2. *Requests* the secretariat, in consultation with the secretariat of the Global Environment Facility and bearing in mind comments made at the eleventh session of the Intergovernmental Negotiating Committee, to prepare draft arrangements for consideration by the Subsidiary Body for Implementation at its first session and adoption by the Conference of the Parties at its second session.

10th plenary meeting
7 April 1995

Decision 11/CP.1

Initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism

The Conference of the Parties,

Recalling Article 11.1 of the United Nations Framework Convention on Climate Change,

Having considered recommendation 11 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides* to adopt the following initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism:

(a) Regarding activities undertaken under Article 11 of the Convention,

Within the framework of the financial mechanism:

(i) The operating entity or entities should, in all funding decisions related to the financial mechanism, take into account Article 4.1, 4.7, 4.8, 4.9 and 4.10 of the Convention. In particular, in order to take full account of the specific needs and special situations of the least developed countries, funds allocated to their projects/programmes should be on a grant basis;

(ii) Projects funded through the financial mechanism should be country-driven and in conformity with, and supportive of, the national development priorities of each country;

(iii) The operating entity or entities should ensure that, with reference to activities involving transfer of technology, such technology is environmentally sound and adapted to suit local conditions;

(iv) As far as possible, due consideration should be given to the following aspects concerning activities undertaken under the financial mechanism. Activities should be:

- supportive of the national development priorities which contribute to a comprehensive national response to climate change;

- consistent with and supportive of the relevant provisions of internationally agreed programmes of action for sustainable development in line with the Rio Declaration and Agenda 21 and UNCED-related agreements;

- sustainable and lead to wider application;

- cost-effective;

(v) The operating entity or entities of the financial mechanism should strive to leverage other funds in support of the activities of developing country Parties to address climate change;

(vi) In mobilizing funds, the operating entity or entities should provide all relevant information to developed country Parties and other Parties included in Annex II to the Convention, to assist them to take into full account the need for adequacy and predictability in the flow of funds. The entity or entities entrusted with the operation of the financial mechanism should take full account of the arrangements agreed with the Conference of the Parties, which, inter alia, shall include determination in a predictable and identifiable manner of the amount of funding necessary and available for the implementation of the Convention, as provided for in Article 11.3(d) of the Convention.

(b) Regarding programme priorities,

(i) Priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1 and other relevant commitments under the Convention. In the initial period, emphasis should be placed on enabling activities undertaken by developing country Parties, such as planning and endogenous capacity-building, including institutional strengthening, training, research and education, that will facilitate implementation, in accordance with the Convention, of effective response measures;

(ii) In this context, activities aimed at strengthening research and technological capabilities for the implementation of the Convention in developing country Parties should be supported through international and intergovernmental efforts. Such support would include networking and the training of experts and, as appropriate, institutional development;

(iii) Emphasis should also be placed on improving national public awareness and education on climate change and response measures;

(iv) The operating entity or entities should finance the formulation by developing country Parties of nationally determined programmes to address climate change issues which are in accordance with national development priorities. To facilitate the formulation of these programmes, it should finance capacity-building and all other activities related to the formulation, management and regular updating of these programmes, which should, as far as possible, be comprehensive;

(v) The operating entity or entities should, in accordance with the policies, programme priorities and eligibility criteria as established by the Conference of the Parties, be available to assist, if so requested, in the implementation of the national programmes adopted by developing country Parties;

(vi) In the implementation of these national programmes, the operating entity or entities should support agreed activities to mitigate climate change, as referred to in the Convention, in particular in Article 4.1, consistent with Article 4.3.

(c) Regarding eligibility criteria,

Eligibility criteria shall apply to countries and to activities and shall be applied in accordance with Article 11.1, 11.2 and 11.3;

(i) Regarding eligibility of countries, only countries that are Parties to the Convention would be eligible to receive funding upon entry into force of the Convention. In this context, only developing country Parties would be eligible to receive funding through the financial mechanism, in accordance with Article 4.3;

(ii) Regarding eligibility of activities,

- Those activities related to obligations under Article 12.1 to communicate information for which the "agreed full costs" are to be met are eligible for funding;

- Measures covered by Article 4.1 are eligible for funding through the financial mechanism in accordance with Article 4.3. Such measures should be agreed between the developing country Party and the international entity or entities referred to in Article 11.1, in accordance with Article 4.3;

- In addition to the above, such measures would be eligible for financial support under Article 11.5.

(d) Regarding adaptation, the following policies, programme priorities and eligibility criteria should apply:

(i) Adaptation to the adverse effects of climate change, as defined by the Convention, will require short, medium and long term strategies which should be cost effective, take into account important socio-economic implications, and should be implemented on a stage-by-stage basis in developing countries that are Parties to the Convention. In the short term, the following stage is envisaged:

- Stage I: Planning, which includes studies of possible impacts of climate change, to identify particularly vulnerable countries or regions and policy options for adaptation and appropriate capacity-building;

(ii) In the medium and long term, the following stages are envisaged for the particularly vulnerable countries or regions identified in Stage I:

- Stage II: Measures, including further capacity-building, which may be taken to prepare for adaptation, as envisaged by Article 4.1(e);

- Stage III: Measures to facilitate adequate adaptation, including insurance, and other adaptation measures as envisaged by Article 4.1(b) and 4.4;

(iii) Based on the outputs of the Stage I studies, as well as other relevant scientific and technical studies, such as those of the Intergovernmental Panel on Climate Change (IPCC), and any emerging evidence of the adverse effects of climate change, the Conference of the Parties may decide that it has become necessary to implement the measures and activities envisaged in Stages II and III, consistent with the relevant conclusions of the Committee and with the provisions of the Convention;

(iv) Funding for the implementation of such adaptation measures and activities would be provided as follows:

- For Stage I, the Conference of the Parties at its first session, shall entrust to the Global Environment Facility (GEF), the interim operating entity of the financial mechanism, the task of meeting the agreed full costs of the activities required by Article 12.1 of the Convention. This would include meeting the agreed full costs of relevant adaptation activities undertaken in the context of the formulation of national communications; such activities may include studies of the possible impacts of climate change, identification of options for implementing the adaptation provisions (especially the obligations contained in Article 4.1(b) and 4.1(e) of the Convention), and relevant capacity-building;

- If it is decided in accordance with paragraph (iii) above, that it has become necessary to implement the measures envisaged in Stages II and III, the Parties included in Annex II to the Convention will provide funding to implement the adaptation measures envisaged in these stages in accordance with their commitments contained in Article 4.3 and 4.4 of the Convention;

- In its review of the financial mechanism of the Convention under Article 11.4, the Conference of the Parties, taking into account studies conducted and options for adaptation identified during Stage I, any emerging evidence of the adverse effects of climate change, as well as the relevant conclusions reached by the Committee and its own decisions on this issue, must decide on the channel or channels, under Article 11 of the Convention, to be used for the funding referred to in the preceding subparagraph, to implement the adaptation measures envisaged in Stages II and III.

(e) Regarding agreed full incremental costs,

The various issues of incremental costs are complex and difficult and further discussion on the subject is therefore needed. The application of the concept of agreed full incremental costs should be flexible, pragmatic and on a case-by-case basis. Guidelines in this regard will be developed by the Conference of the Parties at a later stage on the basis of experience.

2. *Also decides* to take note of the following conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change:

(a) Outside the framework of the financial mechanism,

Consistency should be sought and maintained between activities (including those related to funding) relevant to climate change undertaken outside the framework of the financial mechanism and the policies, programme priorities and eligibility criteria for activities as relevant, established by the Conference of the Parties. Towards this end and in the context of Article 11.5 of the Convention, the secretariat should collect information from multilateral and regional financial institutions on activities undertaken in implementation of Article 4.1 and Article 12 of the Convention; this should not introduce new forms of conditionalities.

(b) On transfer of technology, the Committee took note of document A/AC.237/88 prepared by the interim secretariat. The Committee recognized the importance of this subject under the relevant articles of the Convention and concluded that discussions should continue at the Conference of the Parties and its subsidiary bodies with a view to identifying ways and means of operationalizing the transfer of technology under Article 4.5 of the Convention.

(c) The Committee took note of document A/AC.237/Misc.40, an approach paper by the Group of 77 and China on the format of communication of information by Parties not included in Annex I to the Convention.

10th plenary meeting
7 April 1995

Decision 12/CP.1

Report of the Global Environment Facility to the Conference of the Parties on the development of an operational strategy and on initial activities in the field of climate change

The Conference of the Parties,

Recalling Article 11.1 of the United Nations Framework Convention on Climate Change,

Having considered the report by the Global Environment Facility (GEF) containing information on the development of an operational strategy in the climate change area and on the initial activities in this field (FCCC/CP/1995/4),

1. *Welcomes* the decision of the GEF Council to follow a "two-track" programming approach in 1995: while work is undertaken by the GEF secretariat to develop a long-term comprehensive operational strategy, supported by analytical work and consultations, and allowing for the guidance from the Conference of the Parties (track one), some project activities are to be undertaken to allow a smooth transition between the operations of the pilot phase and the restructured GEF (track two);

2. *Decides* to adopt a mixed strategy wherein projects will be selected with a double set of programme priorities as described in paragraph 9(c) of the report, that is, if they met either one of the long-term programme priorities or one of the short-term programme priorities;

3. *Takes note* of the report on initial activities;

4. *Invites* the GEF in future reports to take fully into account relevant aspects of the modalities for the functioning of operational linkages between the Conference of the Parties and the operating entity or entities of the financial mechanism.[1/]

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1/ See section III (a) below.

Decision 13/CP.1

Transfer of technology

The Conference of the Parties,

Recalling the relevant provisions of chapter 34 of Agenda 21 on "Transfer of environmentally sound technology, cooperation and capacity-building",

Pursuant to the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4.1, 4.5, 4.7, 4.9, 9.2 and 11.1,

1. *Requests* the Convention secretariat :

(a) To prepare an itemized progress report (according to the types of activities specified in paragraphs 34.15 to 34.28, inclusive, of chapter 34 of Agenda 21) on concrete measures taken by the Parties listed in Annex II to the Convention, with respect to their commitments related to the transfer of environmentally sound technologies and the know-how necessary to mitigate and facilitate adequate adaptation to climate change; and, at the same time,

(b) To collect information from relevant sources, from, inter alia, the Commission on Sustainable Development, United Nations agencies, the Intergovernmental Panel on Climate Change and the Subsidiary Body for Scientific and Technological Advice, and to prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change. This inventory should also include an elaboration of the terms under which transfers of such technologies and know-how could take place;

2. *Further requests* the Convention secretariat:

(a) To submit the documents referred to in subparagraphs 1 (a) and (b) above, through the Subsidiary Body for Scientific and Technological Advice, to the Conference of the Parties at its second session, and to update them at regular intervals (each interval not to exceed a year) for consideration by the Conference of the Parties at each of its sessions;

(b) To take the advice of the Subsidiary Body for Scientific and Technological Advice (as described in section A, paragraph 3, of annex I to decision 6/CP.1) in implementing these responsibilities and to coordinate this matter with the relevant United Nations agencies and other organizations and institutions;

3. *Urges:*

(a) The Parties listed in Annex II to the Convention to include in their national communications [1/] the measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

(b) Other Parties to include in their communications, where possible, information on measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

4. *Decides:*

(a) To review, at the second session of the Conference of the Parties, and at each session of the Conference of the Parties thereafter, the implementation of Article 4.5 and 4.1(c) of the Convention as a separate agenda item under "Matters relating to commitments";

(b) To provide continuous advice to improve the operational modalities for the effective transfer of technology;

(c) To support and promote the development of endogenous capacities and appropriate technology relevant to the objectives of the Convention in developing countries which are Parties to the Convention.

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[1/] The term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.

Decision 14/CP.1

Institutional linkage of the Convention secretariat to the United Nations

The Conference of the Parties,

Recalling that the Conference of the Parties, at its first session, in accordance with Article 8.3 of the United Nations Framework Convention on Climate Change, shall designate a permanent secretariat and make arrangements for its functioning,

Having considered the related conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change contained in the report on the work of its eleventh session, [1/]

1. *Notes* with appreciation the advice of the Secretary-General, [2/] the related comments of the Contact Group of the Committee[3/] and the "Understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat";[4/]

2. *Decides* that the Convention secretariat shall be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme;

3. *Takes note of,* and provisionally accepts, the arrangements proposed by the Secretary-General of the United Nations for administrative support to the Convention secretariat;[5/] *requests* the Executive Secretary to pursue the question of the allotment of overhead to defray administrative expenses as indicated in the advice of the Secretary-General; [6/] and *requests* the Subsidiary Body for Implementation to review the proposed arrangements at its first session in October 1995, on the basis of a report from the Executive Secretary, so that they may take effect from 1 January 1996;

1/ A/AC.237/91/Add.1, section II, conclusion (i).

2/ A/AC.237/79/Add.1.

3/ A/AC.237/79/Add.5.

4/ A/AC.237/79/Add.6.

5/ FCCC/CP/1995/5/Add.4.

6/ A/AC.237/79/Add.1, annex III, para. 15.

4. *Decides further* to review the functioning of the institutional linkage referred to in paragraph 2 above, not later than 31 December 1999, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties;

5. *Requests* the General Assembly, bearing in mind the institutional linkage of the Convention secretariat to the United Nations and the large number of States that are Parties to the Convention, to decide to finance from the regular programme budget of the United Nations the conference-servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies for the duration of the institutional linkage approved under paragraph 2 above;

6. *Requests* the Executive Secretary of the interim secretariat to communicate to the Secretary-General of the United Nations the estimated financial implications resulting from paragraph 5 above for each of the years 1996 and 1997;

7. *Requests* the Secretary-General to appoint, after consultation with the Conference of the Parties through its Bureau, the head of the Convention secretariat, with the title of Executive Secretary, for a three-year term of office starting on 1 January 1996; *notes* that the level of the head of the interim secretariat is D-2; and *requests* the President of the Conference of the Parties to consult with the Secretary-General on the level of remuneration of the head of the Convention secretariat and of the two other senior posts in the staffing table, whose programme functions include activities currently managed by staff at the D-1 level, taking into account the proposals made during the consultations on the Convention budget;

8. *Decides* to review, at its third session, the levels of the Executive Secretary and of the two other senior posts;

9. *Expresses* its appreciation for the support which has been generously provided to the Convention secretariat by the United Nations, especially the Department for Policy Coordination and Sustainable Development, the United Nations Development Programme, the United Nations Environment Programme and the World Meteorological Organization, and invites the Executive Secretary to pursue further the provision of such support in the context of the understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat. [7/]

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[7/] A/AC.237/79/Add.6.

Decision 15/CP.1

Financial procedures

The Conference of the Parties,

Recalling that the Conference, pursuant to Article 7.2(k) of the United Nations Framework Convention on Climate Change, is to agree and adopt, by consensus, financial rules for itself and for any subsidiary bodies,

Having considered the related conclusion of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change contained in the report on the work of its eleventh session,[1/]

1. *Adopts* the financial procedures for the Conference of the Parties, its subsidiary bodies and its secretariat, as contained in annex I to this decision;

2. *Adopts* the indicative scale contained in annex II to this decision as the basis for contributions by the Parties to the Convention budget for each of the years 1996 and 1997;

3. *Decides* that other countries which may become Parties during the remainder of 1995 shall also contribute to the expenses of the Convention, in accordance with a scale to be calculated by the Executive Secretary;

4. *Requests* the Executive Secretary to advise all Parties, not later than 22 December 1995, of their contributions payable in accordance with paragraphs 2 and 3 above.

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1/ A/AC.237/91/Add.1, section II, conclusion (k).

ANNEX I

Financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change, its subsidiary bodies and its permanent secretariat

1. These procedures shall govern the financial administration of the Conference of the Parties to the United Nations Framework Convention on Climate Change, its subsidiary bodies and its permanent secretariat. In so far as not specifically provided under these procedures, the Financial Regulations and Rules of the United Nations shall apply.

2. The financial period shall be a biennium, of which the first year shall be an even year.

The budget

3. The head of the Convention secretariat shall prepare the administrative budget for the following biennium, and shall dispatch it to all Parties to the Convention at least 90 days before the opening of the ordinary session of the Conference of the Parties at which the budget is to be adopted.

4. The Conference of the Parties shall consider the proposed budget, and shall adopt a budget by consensus prior to the commencement of the financial period that it covers.

5. Adoption of the budget by the Conference of the Parties shall constitute authority to the head of the Convention secretariat to incur obligations and make payments for the purposes for which the appropriations were approved and up to the amounts so approved, provided always that, unless specifically authorized by the Conference of the Parties, commitments are covered by related income.

6. The head of the Convention secretariat may make transfers within each of the main appropriation lines of the approved budget. He/she may also make transfers between such appropriation lines up to such limits as the Conference of the Parties may set from time to time.

Contributions

7. The resources of the Conference of the Parties shall comprise:

(a) Contributions made each year by Parties on the basis of an indicative scale, adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly, adjusted so as to ensure that no Party contributes less than 0.01 per cent of the total; that no one contribution exceeds 25 per cent of the total; and that no contribution from a least developed country Party exceeds 0.01 per cent of the total;

(b) Voluntary contributions made by Parties in addition to those under (a) above;

(c) Other voluntary contributions, including contributions to support the participation of the representatives of developing country Parties and of other Parties with economies in transition in the Conference of the Parties and its subsidiary bodies;

(d) The uncommitted balance of appropriations from previous financial periods;

(e) Miscellaneous income.

8. In respect of contributions under 7 (a) above:

(a) Each Party shall, prior to 1 January of each year, inform the head of the Convention secretariat of the contribution it intends to make that year and of the projected timing of that contribution;

(b) Contributions are due on 1 January of each calendar year.

9. Contributions under 7 (b) and (c) above shall be used in accordance with such terms and conditions, consistent with the objective of the Convention, as may be agreed by the head of the Convention secretariat and the contributor.

10. All contributions shall be paid in convertible currencies into a bank account to be designated by the Secretary-General of the United Nations in consultation with the head of the Convention secretariat.

11. The head of the Convention secretariat shall acknowledge promptly all pledges and contributions and shall inform the Parties, at least twice a year, of the status of pledges and payments of contributions.

12. Contributions not immediately required shall be invested at the discretion of the Secretary-General of the United Nations, and the resulting income shall be credited to the related Trust Fund.

Funds

13. A fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention secretariat. All resources of the Conference of the Parties under 7 (a), (b), (d) and (e) above shall be credited to the fund, and all expenditures under 5 above shall be charged to the fund.

14. Within the fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a

temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

15. A special fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention secretariat. This fund shall receive voluntary contributions, under 7 (c) above, to support the participation of the representatives of developing-country Parties, in particular those that are least developed countries or small island developing countries, and of other Parties with economies in transition in the Conference of the Parties and its subsidiary bodies.

16. Subject to the approval of the Conference of the Parties, the Secretary-General of the United Nations may establish other trust funds, provided that they are consistent with the objectives of the Convention.

17. Should a fund established under 15 or 16 above result in additional liability to the core administrative budget, that liability must be quantified and approved in advance by the Conference of the Parties.

Accounts and audit

18. The accounts and financial management of all funds governed by these financial procedures shall be subject to the internal and external audit process of the United Nations.

19. An interim statement of accounts for the first year of the financial period shall be provided to the Conference of the Parties during the second year of the period, and a final audited statement of accounts for the full financial period shall be provided to the Conference of the Parties as soon as possible after the accounts for the financial period are closed.

Reimbursement to the host organization

20. The Conference of the Parties shall reimburse the United Nations for services provided by that organization to the Conference of the Parties and its secretariat, at such rates as may from time to time be agreed upon for that purpose by both organizations.

General provisions

21. In the event that the Conference of the Parties decides to terminate a trust fund established under these procedures, it shall so advise the Secretary-General of the United Nations at least six months before the date of termination so decided. The Conference of the Parties shall decide, in consultation with the Secretary-General of the United Nations, on the distribution of any uncommitted balance after all liquidation expenses have been met.

22. Any amendments to these procedures shall be adopted by the Conference of the Parties by consensus.

ANNEX II

Indicative scale of contributions to the administrative budget of the Convention: 1996-1997

Party	1996	1997
Albania	0.01	0.01
Algeria	0.16	0.16
Antigua and Barbuda	0.01	0.01
Argentina	0.49	0.49
Armenia	0.06	0.05
Australia	1.50	1.50
Austria	0.88	0.88
Bahamas	0.02	0.02
Bahrain	0.02	0.02
Bangladesh	0.01	0.01
Barbados	0.01	0.01
[Belgium]*/	1.02	1.02
Belize	0.01	0.01
Benin	0.01	0.01
Bolivia	0.01	0.01
Botswana	0.01	0.01
Brazil	1.65	1.64
Burkina Faso	0.01	0.01
Cameroon	0.01	0.01
Canada	3.15	3.15
Central African Republic	0.01	0.01
Chad	0.01	0.01
Chile	0.08	0.08
China	0.75	0.75
Colombia	0.10	0.10
Comoros	0.01	0.01

*/ Belgium has indicated its intention to become a Party.

Party	1996	1997
Cook Islands	0.01	0.01
Costa Rica	0.01	0.01
Côte d'Ivoire	0.01	0.01
Cuba	0.05	0.05
Czech Republic	0.26	0.25
Democratic People's Republic of Korea	0.05	0.05
Denmark	0.73	0.73
Dominica	0.01	0.01
Ecuador	0.02	0.02
Egypt	0.07	0.08
Estonia	0.04	0.04
Ethiopia	0.01	0.01
European Community	2.50	2.50
Fiji	0.01	0.01
Finland	0.63	0.63
France	6.51	6.51
Gambia	0.01	0.01
Georgia	0.12	0.11
Germany	9.19	9.19
Greece	0.39	0.39
Grenada	0.01	0.01
Guinea	0.01	0.01
Guyana	0.01	0.01
Hungary	0.14	0.14
Iceland	0.03	0.03
India	0.31	0.31
Indonesia	0.14	0.14
Ireland	0.21	0.21
Italy	5.28	5.33
Jamaica	0.01	0.01
Japan	15.68	15.87

Party	1996	1997
Jordan	0.01	0.01
Kenya	0.01	0.01
Kiribati	0.01	0.01
Kuwait	0.19	0.19
Lao People's Democratic Republic	0.01	0.01
Latvia	0.08	0.08
Lebanon	0.01	0.01
Lesotho	0.01	0.01
Liechtenstein	0.01	0.01
Lithuania	0.09	0.08
Luxembourg	0.07	0.07
Malawi	0.01	0.01
Malaysia	0.14	0.14
Maldives	0.01	0.01
Mali	0.01	0.01
Malta	0.01	0.01
Marshall Islands	0.01	0.01
Mauritania	0.01	0.01
Mauritius	0.01	0.01
Mexico	0.80	0.80
Micronesia (Federated States of)	0.01	0.01
Monaco	0.01	0.01
Mongolia	0.01	0.01
Myanmar	0.01	0.01
Nauru	0.01	0.01
Nepal	0.01	0.01
Netherlands	1.61	1.61
New Zealand	0.24	0.24
Nigeria	0.12	0.11
Norway	0.57	0.57
Oman	0.04	0.04

Party	1996	1997
Pakistan	0.06	0.06
Papua New Guinea	0.01	0.01
Paraguay	0.01	0.01
Peru	0.06	0.06
Philippines	0.06	0.06
Poland	0.34	0.33
Portugal	0.28	0.28
Republic of Korea	0.83	0.83
Romania	0.15	0.15
Russian Federation	4.52	4.33
Saint Kitts and Nevis	0.01	0.01
Saint Lucia	0.01	0.01
Samoa	0.01	0.01
San Marino	0.01	0.01
Saudi Arabia	0.73	0.72
Senegal	0.01	0.01
Seychelles	0.01	0.01
Slovakia	0.08	0.08
Solomon Islands	0.01	0.01
Spain	2.40	2.41
Sri Lanka	0.01	0.01
Sudan	0.01	0.01
Sweden	1.25	1.25
Switzerland	1.23	1.23
Thailand	0.13	0.13
Togo	0.01	0.01
Trinidad and Tobago	0.03	0.03
Tunisia	0.03	0.03
Tuvalu	0.01	0.01
Uganda	0.01	0.01

Party	1996	1997
United Kingdom of Great Britain and Northern Ireland	5.40	5.40
United States of America	25.00	25.00
Uruguay	0.04	0.04
Uzbekistan	0.14	0.13
Vanuatu	0.01	0.01
Venezuela	0.34	0.33
Viet Nam	0.01	0.01
Zaire	0.01	0.01
Zambia	0.01	0.01
Zimbabwe	0.01	0.01
TOTAL	99.96	99.96

Decision 16/CP.1

Physical location of the Convention secretariat

The Conference of the Parties,

Recalling Article 8, paragraph 3, of the United Nations Framework Convention on Climate Change,

Noting the agreement that has emerged for the City of Bonn to be the seat of the Convention secretariat,

1. *Decides* to accept the offer of the Government of the Federal Republic of Germany to host the Convention secretariat;

2. *Invites* the Executive Secretary of the interim secretariat to consult the authorities of the host Government regarding arrangements for the smooth transition from the interim to the Convention secretariat.

10th plenary meeting
7 April 1995

Decision 17/CP.1

Adoption of the Convention budget for the biennium 1996-1997

The Conference of the Parties,

Recalling that paragraph 4 of the financial procedures for the Conference of the Parties [1/] provides that the Conference shall adopt a budget by consensus prior to the commencement of the financial period that it covers,

Having considered the proposed budget for the biennium 1996-1997 submitted by the Executive Secretary of the interim secretariat (FCCC/CP/1995/5/Add.2),

1. *Approves* the Convention budget for the biennium 1996-1997, amounting to $18,664,200, for the following purposes, not including conference-servicing costs:

I. Programmes		1996	1997
		(thousands of US$)	
A.	Policy-making organs	552.5	543.3
B.	Executive direction and management	656.8	674.5
C.1	Communication, assessment and review	2,454.6	2,816.4
C.2	Financial and technical cooperation	1,006.4	1,369.2
C.3	Intergovernmental and institutional support	2,489.6	2,504.2
C.4	Implementation and planning	425.3	441.5
Subtotal		7,585.2	8,349.1
II. Overhead charge		986.1	1,085.4
III. Working capital reserve (in accordance with paragraph 14 of the financial procedures)		658.4[a/]	-
TOTAL		**9,229.7**	**9,434.5**

[1/] See decision 15/CP.1, annex I.

[a/] Represents 8.3 per cent of the Convention budget in 1996 (one month of operating requirements), to be reviewed at COP 2.

2. *Takes note* of estimates of contributions, to offset expenditures set out in paragraph 1 above, as follows:

		1996	1997
		(thousands of US$)	
IV.1	Contributions from the host Government[b/]		
IV.2	Contributions of staff by Governments and organizations	639.0	334.6
IV.3	Allotment of overhead for administration[c/]		
IV.4	Year-end balance from voluntary funds established by General Assembly resolution 45/212[d/]		

3. *Estimates* that conference-servicing costs, provision for which has been requested from the General Assembly of the United Nations, will amount to $3,100,000 for 1996 and $2,200,000 for 1997; and that, should the General Assembly not accede to the request, the costs to the Parties (including overhead) will amount to $3,503,000 for 1996 and $2,486,000 for 1997;

4. *Approves* the staffing table for the core administrative budget as follows:

		1996	1997
(a)	Professional category and above		
	Head[e/]	1	1
	D.2[e/]	2	2
	D.1	4	4
	P.5	6.5	7
	P.4	5	5
	P.3	3	8.5
	P.2	4	3
	Subtotal	25.5	30.5
(b)	General service category	18	19
	TOTAL	**43.5**	**49.5**

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b/ Amount will depend on decision on physical location.

c/ Amount between $400,000 and $500,000 per annum, depending on consultations with the United Nations.

d/ Amount will depend on the extrabudgetary contributions made during 1995 and on a decision of the General Assembly to transfer the funds.

e/ See decision 14/CP.1, para.7.

5. *Authorizes* the head of the secretariat to make transfers, between each of the main appropriation lines set out in paragraph 1.I above, up to the aggregate limit of 15 per cent of the total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

6. *Recalls* that contributions are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures;

7. *Invites* all Parties to the Convention to pay promptly and in full, for each of the years 1996 and 1997, the contributions required to finance expenditures approved under paragraph 1 of this decision, as offset by estimated contributions noted under paragraph 2 herein, and the contributions which may result from the decision of the General Assembly referred to in paragraph 3 above; and

8. *Requests* the head of the secretariat to report to the Conference of the Parties on income and budget performance, and to propose any adjustment that might be needed in the Convention budget for 1996-1997.

10th plenary meeting
7 April 1995

Decision 18/CP.1

Other voluntary funding for the biennium 1996-1997

The Conference of the Parties,

Recalling paragraphs 15 and 16 of the financial procedures for the Conference of the Parties, [1/]

Having considered the estimate of other voluntary funding needs for the biennium 1996-1997 (FCCC/CP/1995/5/Add.2),

1. *Invites* Parties to make contributions to the special fund for participation, referred to in paragraph 15 of the financial procedures, to meet requirements estimated at $2,770,990 (including overhead of $318,790) in 1996 and $2,049,590 (including overhead of $235,790) in 1997;

2. *Further invites* Parties to make contributions to meet other voluntary funding needs of the Convention secretariat of $1,310,460 (including overhead of $150,760) in 1996 and $1,451,370 (including overhead of $166,970) in 1997; and

3. *Requests* the head of the secretariat to report to the Conference of the Parties on the status of voluntary funds and to propose any adjustment that might be needed in voluntary funding for 1996-1997.

10th plenary meeting
7 April 1995

1/ See decision 15/CP.1, annex I.

Decision 19/CP.1

Extrabudgetary funding for the interim secretariat in 1995

The Conference of the Parties,

Having considered the report of the Executive Secretary on extrabudgetary funding for the interim secretariat in 1995 (FCCC/CP/1995/5/Add.3),

1. *Takes note* of the estimates of requirements for extrabudgetary funding for 1995 submitted by the Executive Secretary (FCCC/CP/1995/5/Add.3); and

2. *Expresses* its support for the efforts of contributors and the interim secretariat to mobilize the extrabudgetary funds required for 1995, taking account of the desirability that contributions be untied.

10th plenary meeting
7 April 1995

Decision 20/CP.1

Establishment of a multilateral consultative process for the resolution of questions regarding the implementation of the Convention (Article 13)

The Conference of the Parties,

Recalling Article 13 of the United Nations Framework Convention on Climate Change,

Having considered the recommendation of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change, at its tenth session, on the establishment of a multilateral consultative process and its design, [1/]

1. *Decides* to establish an ad hoc open-ended working group of technical and legal experts to study all issues relating to the establishment of a multilateral consultative process and its design;

2. *Requests* the ad hoc open-ended working group to report its findings to the Conference of the Parties at its second session.

10th plenary meeting
7 April 1995

1/ A/AC.237/76, para. 114; see also A/AC.237/91/Add.1, section II, conclusion (p).

Decision 21/CP.1

Date and venue of the second session of the Conference of the Parties and arrangements for the third session

The Conference of the Parties,

Recalling Article 7.4 of the United Nations Framework Convention on Climate Change,

Recalling General Assembly resolution 40/243 of 18 December 1985,

1. *Takes note* of the interest expressed by the Government of Uruguay in hosting the second session of the Conference of the Parties;

2. *Decides* that the second session of the Conference of the Parties shall be held no later than October 1996, at a date and venue to be confirmed no later than October 1995 by the Bureau of the Conference of the Parties. The session would be for a duration of one week, preceded by one week of sessions of subsidiary bodies, with provision for a third week of meetings, if required;

3. *Takes note* of the interest expressed by the Government of Japan in hosting the third or a subsequent session of the Conference of the Parties.

10th plenary meeting
7 April 1995

II. RESOLUTION ADOPTED BY THE CONFERENCE OF THE PARTIES

Resolution 1/CP.1

Expression of gratitude to the Government and people of Germany

The Conference of the Parties,

Having met in Berlin from 28 March to 7 April 1995 at the invitation of the Government of Germany,

1. *Expresses its profound gratitude* to the Government of Germany for having made it possible for the Conference of the Parties to be held in Berlin and for the excellent facilities, staff and services so graciously placed at its disposal;

2. *Requests* the Government of Germany to convey to the city of Berlin and to the people of Germany the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

10th plenary meeting
7 April 1995

III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

(a) Modalities for the functioning of operational linkages between the Conference of the Parties and the operating entity or entities of the financial mechanism

At its 10th plenary meeting, on 7 April 1995, the Conference endorsed the following agreed conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change:

1. The Conference of the Parties, the supreme body of the Convention, and the entity or entities entrusted with the operation of the financial mechanism, shall agree upon arrangements to give effect to the provisions of Article 11.1 and 11.2 through the operational linkages which are discussed below;

2. In line with Article 11.1 of the Convention, the Conference of the Parties will, after each of its sessions, communicate to the governing body of the operating entity relevant policy guidance for implementation and action by that governing body, which shall accordingly ensure the conformity of the entity's work with the guidance of the Conference of the Parties. Guidance from the Conference of the Parties will address issues relating to policies, programme priorities and eligibility criteria, as well as possible relevant aspects of the activities of the operating entity that are related to the Convention;

3. The governing body of the operating entity has the responsibility of ensuring that funded projects related to the Convention are in conformity with the policies, eligibility criteria and programme priorities established by the Conference of the Parties. It will report regularly to the Conference of the Parties on its activities related to the Convention and on the conformity of those activities with the guidance received from the Conference of the Parties;

4. Regular reports by the Chairman or secretariat of the operating entity to its governing body will be made available to the Conference of the Parties through its secretariat. Other official documentation of the operating entity should also be made available to the Conference of the Parties through its secretariat;

5. In addition, the Conference of the Parties should receive and review at each of its sessions a report from the governing body of the operating entity which should include specific information on how it has applied the guidance and decisions of the Conference of the Parties in its work related to the Convention. This report should be of a substantive nature and incorporate the programme of future activities of this entity in the areas covered by the Convention and an analysis on how the entity, in its operations, implemented the policies, eligibility criteria and programme priorities related to the Convention established by the Conference of the Parties. In particular, a synthesis of the different projects under

implementation and a listing of the projects approved in the areas covered by the Convention, as well as a financial report including accounting and evaluation of its activities in the implementation of the Convention, indicating the availability of resources, should be included;

6. In order to meet the requirements of its accountability to the Conference of the Parties, reports submitted by the governing body of the operating entity should cover all its activities carried out in implementing the Convention, whether decisions on such activities are made by the governing body of the operating entity or by bodies operating under its auspices for the implementation of its programme. To this end, it shall make such arrangements with such bodies as might be necessary regarding the disclosure of information;

7. The funding decisions for specific projects should be agreed between the developing country Party concerned and the operating entity in conformity with policy guidance from the Conference of the Parties. However, if any Party considers that a decision regarding one of the specific projects does not comply with the policies, eligibility criteria and programme priorities established by the Conference of the Parties in the context of the Convention, the Conference of the Parties should analyse the observations presented and take decisions on the basis of compliance with such policies, eligibility criteria and programme priorities. In the event that the Conference of the Parties considers that this specific project decision does not comply with the policies, eligibility criteria and programme priorities established by the Conference of the Parties, it may ask the governing body of the operating entity for further clarification on this specific project decision and in due time ask for a reconsideration of that decision;

8. The Conference of the Parties will periodically review and evaluate the effectiveness of all modalities established in accordance with Article 11.3. Such evaluations will be taken into account by the Conference of the Parties in its decision, pursuant to Article 11.4, on the arrangements for the financial mechanism.

(b) Provision to developing country Parties of technical and financial support

At its 10th plenary meeting, on 7 April 1995, the Conference of the Parties took note of the following conclusion reached in Working Group II of the Intergovernmental Negotiating Committee at its eleventh session:

"Bearing in mind the views expressed by representatives, and without prejudice to the guidance that the Conference of the Parties may provide in the future, the interim secretariat was requested to continue to facilitate the provision of technical and financial support to Parties, in cooperation with its partners, and to periodically report back to the Conference of the Parties on progress achieved, so that further guidance could be provided."